commercial banks, they are mandated to have wider investor base with no single entity holding more than 10 per cent stake;

(c) if so, the details in this regard,

(d) whether it is a fact that it is proposed to allow FDI in banks; and

(e) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Reserve Bank of India (RBI) has issued guidelines on merger and amalgamation between private sector banks and NBFCs with private sector banks on May 11,2005. The guidelines lay down the process of merger, determination of swap ratios, disclosures, etc Detailed guidelines are available on the RBI website www.rbi.org.in.

(b) and (c) In the interest of having sufficient minimum size for financial stability, RBI has prescribed that all the existing private sector banks should also submit a time bound program for capital augmentation to be able to fulfill the minimum networth requirement of Rs. 300 crore, as required for a new entity. Further, where the existing shareholding by any individual entity or group of related entities in the bank is in excess of 10 percent, these banks will be required to indicate a time table for reduction of holding to the permissible level of 10% Detailed guidelines on 'Ownership and Governance of Private Sector Banks' issued by RBI on 28.02 2005 are available on RBI website www.rbi.org. in.

(d) and (e) Govt, of India has issued a notification dated 5th March, 2004 raising the Foreign Direct Investment (FDI) limit in private banks from 49% to 74% under the automatic route including investment of Foreign Institutional Investors (Flls)

Details of amount recovered by NBFCs

† 2298. SHRI MANGANI LAL MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether comprehensive details of amount recovered from deposits by Non-Banking Financial Companies (NBFC) is not provided either to registrar of the company or to the Reserve Bank of India;

(b) whether the amount of depositors is not refunded as RBI have no control over these NBFCs;

† Original notice of the question was received in Hindi.

(c) whether provisions made by many State Governments to monitor the activities of these companies and save the depositors from losing their money are insufficient; and

(d if so, the details of such NBFCs, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Reserve Bank of India (RBI) has reported that full details of public deposits held by NBFCs to whom Certificates of Registration (COP) are issued, are available through the periodical returns submitted by them to RBI.

(b) In case of default in repayment of deposits by NBFCs, action can be taken by RBI which, *inter-alia,* includes rejection of applications for grant of Certificate of Registration (COR), cancellation of COR already issued, prohibition of acceptance of deposits by such companies, initiating criminal complaint against its Directors before the Judicial Magistrate and filing winding up proceedings in the High Courts under the RBI Act, etc.

(c) and (d) The State laws are not applicable to NBFCs as they are governed by the provisions of the RBI Act.

Application of loans under PMRY

2299 SHRI MATILAL SARKAR: Will the Minister of FINANCE be pleased to state:

(a) the number of applicants for loan under PMRY scheme in different States and Union Territories during the year 2004-05 and 2005-06;

(b) the number of applicants whose cases were considered for sanction of loans during the same years;

(c) the number of those in whose favour the loans under PMRY Scheme have actually been disbursed in full during these years; and

(d) whether there is wide gap between those applied and those getting disbursement, it so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) As reported by Reserve Bank of India, State-wise details of applications received, sanctioned and disbursed during the years 2004-05 and 2005-06 (upto Decembr 2005) are given in the Statement. (See below)